

**BY ORDER OF THE COMMANDER,  
436TH AIRLIFT WING**



**DOVER AIR FORCE BASE  
INSTRUCTION 65-301**

**3 NOVEMBER 1999**

***Financial Management***

***REPORTS OF AUDIT***

**COMPLIANCE WITH THIS PUBLICATION IS MANDATORY**

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OPR: 436 AW/FMN (Larry Kanniard)

Certified by: 436 AW/FM  
(LtCol Maritza LoGrasso)

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This instruction implements Air Force Policy Directive 65-3, *Internal Auditing*, AFI 65-301, *Audit Reporting Procedures* and AFI 65-403, *Follow-up on Internal Air Force Audit Reports*. It establishes local procedures for the command responses to findings, recommendations, and potential monetary benefits in Reports of Audit. It applies to all units assigned or attached to Dover AFB, which fall under HQ AMC jurisdiction.

***SUMMARY OF REVISIONS***

**This document is substantially revised and must be completely reviewed.**

Financial Management Analysis Branch (436 CPTS/FMA) has changed to Nonappropriated Funds Financial Analysis Branch (436 AW/FMN) throughout. Paragraphs **1.1.** and **1.2.** have been expanded to clarify duties, responsibilities and suspense timelines. The Nonappropriated Funds Financial Analysis Branch (436 AW/FMN) is the wing focal point for processing and coordinating reports of audit and audit progress reports.

**1. Responsibilities:**

**1.1. Nonappropriated Funds Financial Analysis Branch:**

**1.1.1. Determine Office of Primary Responsibility (OPR) for each Report of Audit.**

**1.1.2. Establish a suspense system for draft reports of audit and progress reports. Responses to a draft audit report should not exceed 30 days from the date of the draft report transmittal to the command. The first progress report on command's actions is due one month after the estimated completion date (ECD) of the first finding or recommendation scheduled for closure. Subsequent progress reports are required each quarter, starting 90 days from the first report, and will cover all actions that were scheduled for closure during that quarter. Send update requests to the OPR about**

two weeks in advance of the due date to allow sufficient time for the OPR to answer all audit findings or recommendations and then to process the progress report through the Comptroller (436 AW/FM) and Wing Commander (436 AW/CC) for signatures.

1.1.3. Forward the audit package to the OPR. Include one (1) copy of draft or final audit report, and guidance contained in AFI 65-301 on preparing the response in the audit package.

1.1.4. Review all responses for completion of corrective actions, administrative accuracy, and adequacy of responses. Contact the auditors involved if there are any concerns related to the adequacy of the responses.

1.1.5. Maintain an audit control log to assist in monitoring audits during coordination. Also use it for programmed completion dates on audit findings or recommendations for which corrective actions have not been completed.

1.1.6. Coordinate with the responsible Air Force Audit Agency (AFAA) Team Chief if the OPR is unable to meet the suspense for responses to draft audit reports. The AFAA Team Chief can grant extensions in 15-day increments, not to exceed 60 days from the date of the draft report transmittal. Oral requests for time extensions are to be followed up with a written request to the AFAA that includes both the reasons for the delay and a date when AFAA can expect to get management's comments.

1.1.7. Review "For Information Only" copies of reports of audit (tenant units) to determine if findings impact wing's area of responsibility.

1.1.8. Maintain a central file of all DoD, GAO, IG, and PACA audit reports for at least five preceding fiscal years and relevant correspondence.

1.1.9. Coordinate with HQ AMC/FMPC if the OPR cannot meet the suspense for progress report submissions.

1.1.10. Cross feed applicable audit findings or recommendations to staff agencies for their information or action, as appropriate.

1.1.11. Prepare AF Form 1768, **Staff Summary Sheet**, for coordination of progress reports and responses to draft audit reports. Coordination is as follows: 436 AW/FM, 436 AW/CCA, 436 AW/CCE, 436 AW/DS, 436 AW/CV, and 436 AW/CC.

## 1.2. The OPR will:

1.2.1. Specifically address each finding or recommendation, and any estimated monetary benefits presented in the "Potential Monetary Benefits Statement" with 'Concur' or 'Nonconcur'. The concur or nonconcur statement indicates either agreement or disagreement with the auditor's findings, recommendations, or applicable potential monetary benefits.

1.2.1.1. If you concur, state the action you have taken or will take to comply with the audit findings or recommendations. Dates for completed actions and when planned actions will be completed must be included in the response. Responses without the dates will be returned to the OPR to add the dates. Alternative corrective actions may be proposed in your response but the OPR should work with the auditors during the audit to agree on the best way to fix the cause of the condition. If you are not sure what the corrective action will be, contact the auditors and have them explain the causes related to the findings. The audit recommendations should correct the conditions found and the cause(s) for the condition.

- 1.2.1.2. If you nonconcur, provide complete rationale for your disagreements in the reply. Contact the auditors immediately if you have a disagreement with a finding, recommendation or potential monetary benefit. You may have additional facts that may influence the conclusions presented and the auditors strive to keep management disagreements to a minimum. Also, there may be situations when it is in the best interest of the wing to disagree with the auditors to raise issues for resolution by AMC.
- 1.2.2. Reply with positive statements of action taken, where applicable, to correct and prevent future deficiencies. The tonal quality of the reply must be suitable for inclusion in the final report of audit or progress report.
- 1.2.3. Make sure comments or replies to findings and recommendations are consistent with the concurrence or nonconcurrence initially expressed.
- 1.2.4. Complete all actions to answer each finding and recommendation by the suspense date that the 436 AW/FMN provides to you. Coordinate with 436 AW/FMN if unable to meet the suspense or if administrative or procedural difficulties are encountered.
- 1.2.5. Provide an estimated completion date in the last sentence of the appropriate paragraph for actions you cannot complete by the suspense date. Be realistic with the dates you use and in most cases the dates should be within one year of the report date.
- 1.2.6. When actions on a recommendation are complete, end the paragraph with the statement, "This item is considered closed." You must include the date the actions were completed.
- 1.2.7. If action or a finding or recommendation is not complete, end the paragraph with the statement, "Estimated completion date is \_\_\_\_\_."
- 1.2.8. Once all actions on findings or recommendations are complete, write a statement in the quarterly progress report to that effect and recommend the report be closed.
- 1.2.9. Submit all progress reports and findings in final format to 436 AW/FMN by the suspense date. Coordinate these reports and findings through the unit and group commanders.
- 1.2.10. Periodically review completed reports of audit to ensure original findings do not recur in the future.
- 1.2.11. The AFAA Area Audit Office will publish a final report and distribute it 10 days after they receive Dover AFB's management comments. After the final report is issued, selected wing personnel will receive a customer satisfaction questionnaire from the AFAA for their input on the audit process. Be honest in your comments to the auditors, as they are interested in what they can do to improve their support of our Air Force mission.

S. TACO GILBERT III, Colonel, USAF  
Commander